



In This Issue:

2003 New Mexico Resource Guides
National Guard/Reserves Call Ups
Monthly 8(a) Business Development Workshops
New Enhanced SBA Express Program
SBA Lifts \$500,000 Loan Cap
SCORE Workshops
Small Business Week Luncheon



2003 NEW MEXICO RESOURCE GUIDE NOW AVAILABLE!

The New Mexico SBA District Office provides a Small Business Resource Guide that covers a variety of topics such as government regulations at the state, local and federal levels, specific guidelines and technical assistance for the writing of your business plan, and selecting a legal structure for your company. The Resource Guide is designed to help potential entrepreneurs avoid common pitfalls. Information is also provided on Starting a Business, Financing a Business, Learning and Understanding Small Business Regulations, and has specific contact information for a variety of services and SBA resource partners in New Mexico. If you would like a copy of the Guide, please call (505) 346-7909 and ask for the *2003 New Mexico Resource Guide*.

August 11-13, 2003



The **Mid-America Lenders' Conference** (MALC) will be held in Austin, Texas ~ August 11-13, 2003. Learn more about this dynamic opportunity to make SBA loan programs a profitable, productive part of your portfolio at www.utsa.edu/malc.

Talking Points

National Guard/Reserves Call-ups

- Small business owners and small businesses with essential employees who are members of the Reserve or National Guard should have a plan in place to work through any potential disruption that may result from a widespread call-up to active duty.
- Preparation is the key to success.
- If a small business has been adversely affected by the federal call-up of members of the National Guard or Reserves during a period of conflict, the U.S. Small Business Administration can help.
- Since the attacks on Sept. 11, 2001, more than 100,000 Reserve and National Guard members have been called to active duty. In anticipation of additional call-ups, the SBA has taken these steps to ensure that eligible small businesses are informed of these services available to them.
- SBA's Office of Veterans Business Development has set up a new Web site at <http://www.sba.gov/reservists/> with timely information on SBA assistance to small business owners or small businesses with key employees who have been or may be called to active duty by the National Guard and Reserve.
- The new Web site offers information on financial options, business counseling and training and other SBA resources. The SBA and its resource partners offer managerial, technical and financial assistance, counseling and training from how to market a product or service to what to do if called to active duty.
- Eligible small businesses that experience a negative economic impact because an owner or an essential employee was called to active duty can apply for a Military Reservist Economic Injury Disaster Loan. Small businesses may apply for the loan after Reserve or National Guard members receive their orders to active duty. Loans of up to \$1.5 million are available at an interest rate not to exceed 4 percent. The loan application can be downloaded from the Web site at www.sba.gov/disaster/mreidl.html.



NEW ENHANCED SBA EXPRESS PROGRAM

Newly implemented changes to the SBAExpress Pilot Loan Program will significantly expand the number of lenders participating in the program and increase access to capital for small businesses.

Lenders may use their own forms and processes to approve loans guaranteed by SBA, a key feature of the program. Minimal paperwork is required for the SBA, and the agency generally provides an immediate response on most SBAExpress applications. SBA encourages the use of technology to expedite the loan process. **The following summarizes the program's major revisions and enhancements:**

SBAExpress includes a major new emphasis on increasing the numbers of small SBA loans, particularly loans of \$50,000 or less.

It will be opened up to many additional lenders. These lenders must continue to meet an 85 percent currency rate requirement on SBA loans, be in good standing, etc., to be eligible.

The program will be offered to lenders not formerly participating with SBA, if they meet certain eligibility requirements.

The maximum loan amount for SBAExpress will be increased to \$250,000.

Lenders will be allowed to charge up to 6.5 percent over prime rate for loans of \$50,000 or less and up to 4.5 percent over the prime rate for loans over \$50,000.

SBA will expedite purchases of all SBAExpress loans with remaining balances of \$50,000 or less, all Export Express

loans, and all SBAExpress loans where liquidation may be delayed.

Lenders may opt to have Treasury liquidate all SBAExpress loans with remaining balances of \$50,000 or less, if there is no bankruptcy, foreclosure or cross-collateralization with another SBA loan.

Qualified lenders will be authorized to make SBA eligibility determinations.

Most SBAExpress loan applicants will be required to sign just one two sided SBA form, which is retained by the lender and is not sent to the Agency.



To attain Express status a lender must:

Have achieved at least an 85 percent currency rate on their SBA 7(a) portfolio (excluding Community Express loans) for the last 3 complete fiscal years plus the elapsed portion of the current fiscal year (lenders achieving at least an 85 percent currency rate may be approved for up to 1 year term, while lenders achieving a 90 percent currency rate may be approved for up to a 2 year term).

Lender must also be current in remitting required SBA guarantee and servicing fees. Lenders are authorized to make Export Express loans by becoming SBAExpress lenders; no other application is required. Requests for SBAExpress/Export Express authority should be forwarded to **Richard Taylor, Director, Sacramento Loan Processing Center, 501 I Street, Suite 12-100, Sacramento, CA 95814-2322 or fax to (916) 930-2406** with an information copy to its Lead SBA Office.

8(a) Business Development

Monthly 8(a) Business Development Program Workshops

The New Mexico SBA District Office staff conducts these monthly seminars to provide information to individuals interested in applying for SBA 8(a) status, and outline what is generally required to be accepted into the program. Information on about other government procurement programs (ProNet, HUBZone Certification, SDB Certification, etc.) is also provided at these sessions.

The SBA's Section 8(a) Program is intended to help socially and economically disadvantaged business owners. SBA assists these firms in gaining equal access to the resources necessary to develop their business and, thereby, improve their ability to compete on an equal basis in the mainstream of the American economy.

To participate in the 8(a) program, a business must be at least 51 percent unconditionally owned and operated by an individual(s) who is a socially and economically disadvantaged citizen of the United States.

The free workshops are presented on the first Thursday of every month from 1:00 pm to 3:30 pm. The location of the workshop is alternated between the SBA District Office and the Albuquerque Hispano Chamber of Commerce/Business Information Center. To register for any of the workshops, or to obtain additional information, please call the SBA Office at 505/346-7909 or 505/346-6751. Additional information on the program is also available on the SBA Website at <http://www.sba.gov/8abd>.



Scheduled seminars in the Albuquerque area are listed below:

- ✚ **March 6, 2003 @** Albuquerque Hispano Chamber of Commerce/Business Info Center, 1309 4th Street SW (Board Room).
- ✚ **April 3, 2003 @** SBA Office (Conference Room), 625 Silver Avenue, SW, Suite 320.
- ✚ **May 1, 2003 @** Albuquerque Hispano Chamber of Commerce/Business Info Center, 1309 4th Street SW (Board Room).
- ✚ **June 5, 2003 @** SBA Office (Conference Room), 625 Silver Avenue, SW, Suite 320.
- ✚ **July 10, 2003 @** Albuquerque Hispano Chamber of Commerce/Business Info Center, 1309 4th Street, SW (Board Room).
(Date changed because of Holiday)

**SBA LIFTS \$500,000 LOAN CAP, BOOSTS FY2003
LOAN VOLUME TO \$9.4 BILLION**

Implementation of Agency's Economic Subsidy Model Allows Bigger Loans, Greater Loan Volume – Administrator Hector Barreto of the U.S. Small Business Administration today lifted a 5-month cap on SBA-backed loans and invited participation lenders to resume submitting applications for guaranteed loans up to the \$2 million statutory limit.

SBA Programs which were affected by the ceiling has now returned to their authorized levels.

7(a) loans

- Over \$150,000/75% guarantee up to \$1 million
- \$150,000 or less/85% guarantee
- No total loan exceeds \$2 million

Pre-Qualification Loan

- \$250,000 Max /75% guarantee
- \$150,000 or less/85% guarantee

CAPLines of Credit

- Same as 7(a) above

www.sba.gov/nm



"Essentials For Starting A New Business."

This is a daylong workshop held on the third Friday of the month from 9:00 am - 4:00 pm (8:30 am registration). There is a workshop fee of \$35.00 per person.

The workshop is directed toward new entrepreneurs and potential entrepreneurs who would like to become acquainted with business methods, language and terminology. It emphasizes all the essential elements needed for successful business practices. Topics include Anatomy of a Business; The Law and Business; Necessary Insurance; Record Keeping Elements; Tax Considerations; Banking and Borrowing and SBA Programs and Resources. Call (505) 346-6750 for additional information or to register for the workshop.

Scheduled Workshops:

March 21, 2003

April 18, 2003

May 16, 2003

Small Business Week Awards Ceremony



Friday, April 25, 2003
Sheraton Old Town Hotel
800 Rio Grande Boulevard NW
Albuquerque, NM
11:30 am – 1:30 pm
(Registration 11:00 am – 11:30 am)
Fee: \$35/person

Scheduled Keynote Speaker

Congressman Tom Udall
Member of the United States House of Representatives
Ranking Member of the Subcommittee on Rural Enterprise, Agriculture & Technology

In recognition of the small business community's contribution to the American economy and society, the President of the United States designates one week each year as National Small Business Week.

Leading up to that week, the New Mexico Small Business Development Center Network and the New Mexico Small Business Administration District Office in partnership with public- and private-sector small business supporters, are bringing this special event to the community to honor and present awards to the New Mexico's entrepreneurs and small business advocates.

The New Mexico Small Business Person of the Year, Young Entrepreneur, Entrepreneurial Success, Small Business Exporters of the Year Award Winners, and the Small Business Advocates of the Year Award Winners will be honored at a celebration luncheon on April 25, 2003. **Mark your calendars to join us at this prestigious event!**

To register for the event and to obtain additional information, please contact Flo Dow @ the NM Small Business Development Center at 505/428-1362 or 1-800-281-7232.